

**LEGISLATIVE FISCAL OFFICE
ANALYSIS OF BA-7 REQUEST
Approved By JLCB**

DEPARTMENT: Public Service Commission

AGENDA NO.: 2

AGENCY: Public Service Commission

ANALYST: Deborah Vivien

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Administrative	\$0	0
Interagency Transfers:	\$0	Support Services	\$862,424	0
Self-Generated Revenue:	\$0	Motor Carrier Registration	\$0	0
Statutory Dedications:	\$0	District Offices	\$0	0
Federal Funds:	\$862,424			
Total	<u>\$862,424</u>	Total	<u>\$862,424</u>	<u>0</u>

I. SUMMARY/COMMENTS

Approval of this BA-7 will allow the Public Service Commission (PSC) to utilize federal grant funding awarded through the American Recovery & Reinvestment Act (ARRA) under the section for State Electricity Regulators Assistance. The money will serve to assist the PSC with training, education and outreach related to energy efficiencies and renewable initiatives while regulatory staff gain expertise in the area of renewable resources that PSC cannot otherwise provide within the current budget. Eligible areas include energy efficiency, electricity-based renewable energy, energy storage, smart grid, electric and hybrid vehicles, demand-response equipment, coal with carbon capture and storage and transmission. Since the funding is restricted to these initiatives, there will be no recurring state obligations resulting from acceptance of these funds. However, the PSC is expected to benefit from the specialized training beyond the timeframe of the grant. There are no state match requirements associated with this federal grant which runs from 11/12009 through 10/31/2012. This money cannot be used to supplant the existing PSC budget or used for other Commission obligations.

The Department will have 2 non-T.O. full-time equivalent job appointment positions: a qualified professional engineer and a program coordinator. The engineer will carry out the work requirements of the grant which include utility construction work plans, facility inspections, load forecasts, and rate studies. The program coordinator will assist in staff training, coordinate related activities, handle federal documentation requirements and act as the Information Technology liaison. These positions will be temporary and exist until the grant money is expended or the grant expires. The breakdown of expenditures over the timeframe of the grant is expected to be salary and related benefits for the temporary positions (\$356,387), training/education/travel (\$331,537), operating services such as printing, postage, teleseminars, computer maintenance (\$30,000), supplies such as general office supplies and vehicle usage expenses (\$25,000), other charges such as educational workshops and onsite visits (\$95,000), acquisitions such as computers, printers, and educational and reference materials (\$15,000), and Interagency Transfers for telephone services and network connections (\$9,500).

According to the Department of Energy (the federal agency making the award), should LA choose to reject this grant, it will either be released to the U.S. Treasury or re-obligated within the Department of Energy.

II. IMPACT ON FUTURE FISCAL YEARS

This BA-7 will have impact on future years to the extent that the grant funding is carried forward for expenditure. The grant expires on 10/31/12, which is state fiscal year FY 13.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

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**LEGISLATIVE FISCAL OFFICE
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Approved By JLCB**

DEPARTMENT: Agriculture & Forestry

AGENDA NO.: 3

AGENCY: Agriculture & Forestry

ANALYST: Travis McIlwain

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Management & Finance	\$0	0
Interagency Transfers:	\$547,090	Marketing	\$0	0
Self-Generated Revenue:	\$0	Agricultural & Environmental Sciences	\$0	0
Statutory Dedications:	\$0	Animal Health Services	\$0	0
Federal Funds:	\$0	Agro-Consumer Services	\$0	0
		Forestry	\$547,090	0
Total	<u>\$547,090</u>	Total	<u>\$547,090</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 is to increase IAT budget authority within the Department's Forestry Program from the LA Property Assistance Agency (LPAA) for budgeting FY 10 aircraft maintenance expenditures. The source of these funds is from the one-time surplus auction sale of 6 Cessna aircraft (from the Forestry Program's firefighting air fleet).

The specific maintenance expenditures the department is requesting within this BA-7 are as follows:

\$396,440 IAT expenditure category (Division of Administration - Aircraft Services) - propeller overhauls, annual inspections, plane parts, replacement of 2 engines, hanger rent, emergency location transmitters (ELTs).

\$13,500 operating services - GPS updates, FAA medical renewal, insurance deductible, FAA charts and aviation maps.

\$137,150 supplies - multiservice fuel card, Mansfield Fuel (bulk contract vendor)

The revenues generated from the auction accrued to the department and the LPAA. The planes were originally purchased with statutory dedications via the Forest Protection Fund. Thus, the LPAA receives 20% of the auction proceeds, while the department receives 80% of the auction proceeds. Pursuant to R.S. 3:4321, there is an annual \$0.08 forest protection tax per acre of timberland paid by the landowners, which is deposited into the Forest Protection Fund. Per statute, the department may utilize such funds for the acquisition and maintenance of equipment for the protection of forest lands from fire damage.

Below is a table that illustrates the aircraft type sold, the original cost of the aircraft, the auction sale price of the aircraft, the date the purchaser of the aircraft paid the LPAA and the name of the purchaser of the aircraft.

<u>Aircraft Type</u>	<u>Original Cost</u>	<u>Sale Price</u>	<u>Date Paid</u>	<u>Purchaser</u>
2003 Cessna 182T	\$263,778	\$104,101	11/9/09	Burke Aircraft Service Company
2003 Cessna 182T	\$263,778	\$111,600	11/16/09	Buha Holdings, LLC
2003 Cessna 182T	\$263,778	\$107,991	11/5/09	Airmart Aircraft Holdings, Inc.
2003 Cessna 182T	\$263,778	\$122,600	11/9/09	Buha Holdings, LLC
2003 Cessna 182T	\$263,778	\$115,900	11/16/09	Save-More Drug, Inc.
<u>2003 Cessna 182T</u>	<u>\$263,778</u>	<u>\$121,670</u>	1/5/10	Wipaire, Inc.
Total Sale		\$683,862		
LPAA - 20%		\$136,772		
<u>Agriculture & Forestry - 80%</u>		<u>\$547,090</u>		
Total Sale		\$683,862		

BA-7 #16 on the agenda (in part) increases the budget authority within the LPAA to allow for them to send the Department of Agriculture & Forestry \$547,090 in surplus funds generated from the surplus auction of the 6 airplanes. To the extent that that portion of the BA-7 #16 is not approved, then the Department of Agriculture & Forestry will not receive its auction generated funds for expenditure in FY 10.

II. IMPACT ON FUTURE FISCAL YEARS

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**LEGISLATIVE FISCAL OFFICE
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Approved By JLCB**

Approval of this BA-7 request will have no impact on future fiscal years. This is a one-time revenue source for operating maintenance costs of the remaining 12 airplanes within the Forestry Program's air fleet, and this funding will not be available for these costs in FY 11.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request contingent upon the approval of BA-7 #16 on the agenda.

LEGISLATIVE FISCAL OFFICE
ANALYSIS OF BA-7 REQUEST
Original: Not approved by JLCB

DEPARTMENT: Agriculture & Forestry

AGENDA NO.: 4

AGENCY: Agriculture & Forestry

ANALYST: Travis McIlwain

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Management & Finance	\$0	0
Interagency Transfers:	\$0	Marketing	\$0	0
Self-Generated Revenue:	\$0	Agricultural & Environmental Sciences	\$216,326	0
Statutory Dedications:	\$216,326	Animal Health Services	\$0	0
Federal Funds:	\$0	Agro-Consumer Services	\$0	0
		Forestry	\$0	0
Total	<u>\$216,326</u>	Total	<u>\$216,326</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 is to budget additional Statutory Dedications (\$178,974 - Seed Commission Fund, \$37,352 - Formosan Termite Initiative Fund) for various FY 10 operating services expenditures.

Seed Commission Fund

The increased FY 10 expenditures to be funded with the Seed Commission Fund will be used for the following expenditures at the seed lab: \$8,753 - printing services for printing seed certificates, \$157,492 - equipment maintenance on seed testing equipment/kits, \$3,303 - rental equipment, \$1,902 - dues & subscriptions, \$7,524 - mail & postage. This BA-7 appropriates unappropriated funds from the Seed Commission's FY 10 fund balance, which is currently \$443,012. Upon approval of this BA -7, the unappropriated fund balance will be reduced to \$264,038. Pursuant to Title 3, the Seed Commission is allowed to charge a regulatory fee on all seeds sold in LA. This fund is associated with the LA Seed Commission, which provides for governing the methods of sampling, inspecting and making analysis tests and examinations of all seeds, specifically the registration of seed dealers within LA (R.S. 3:1433). The additional increase in FY 10 statutory dedicated budget authority from the Seed Commission Fund will reduce the FY 10 projected year end fund balance from \$443,012 to \$264,038.

Formosan Termite Initiative Fund

This BA-7 also request to appropriate all of the remaining funds from the Formosan Termite Initiative Fund in FY 10. Pursuant to R.S. 3:3391.12, the commissioner of agriculture and forestry may impose civil penalties associated with the violation of the Formosan Termite statutes (R.S. 3:3391.1 - R.S. 3:3391.13). Such penalties are deposited into the Formosan Termite Initiative Fund. According to the state's financial accounting system, the current balance within this fund is \$37,352 (\$37,207 - FY 09 ending year fund balance, \$145 - FY 10 interest earnings). At this time, the department has not indicated to the Legislative Fiscal Office what specific operating service expenditures will be funded with the \$37,352 request.

II. IMPACT ON FUTURE FISCAL YEARS

This BA-7 requests the utilization of a portion of the FY 10 unappropriated fund balance within the Seed Commission Fund and all of the unappropriated fund balance within the Formosan Termite Fund.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 in the reduced amount of \$178,974 (Seed Commission Fund). The Department of Agriculture & Forestry has not indicated to the Legislative Fiscal Office (LFO) the specific expenditures that will be funded with the \$37,352 from the Formosan Termite Initiative Fund or the statutory authority that allows such expenditure.

**LEGISLATIVE FISCAL OFFICE
ANALYSIS OF BA-7 REQUEST
Amended: Approved by JLCB**

DEPARTMENT: Agriculture & Forestry

AGENDA NO.: 4

AGENCY: Agriculture & Forestry

ANALYST: Travis McIlwain

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Management & Finance	\$0	0
Interagency Transfers:	\$0	Marketing	\$0	0
Self-Generated Revenue:	\$0	Agricultural & Environmental Sciences	\$178,974	0
Statutory Dedications:	\$178,974	Animal Health Services	\$0	0
Federal Funds:	\$0	Agro-Consumer Services	\$0	0
		Forestry	\$0	0
Total	<u>\$178,974</u>	Total	<u>\$178,974</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 is to budget additional Statutory Dedications \$178,974 from the Seed Commission Fund for various FY 10 operating services expenditures.

The increased FY 10 expenditures to be funded with the Seed Commission Fund will be used for the following expenditures at the seed lab: \$8,753 - printing services for printing seed certificates, \$157,492 - equipment maintenance on seed testing equipment/kits, \$3,303 - rental equipment, \$1,902 - dues & subscriptions, \$7,524 - mail & postage. This BA-7 appropriates unappropriated funds from the Seed Commission's FY 10 fund balance, which is currently \$443,012. Upon approval of this BA-7, the unappropriated fund balance will be reduced to \$264,038. Pursuant to Title 3, the Seed Commission is allowed to charge a regulatory fee on all seeds sold in LA. This fund is associated with the LA Seed Commission, which provides for governing the methods of sampling, inspecting and making analysis tests and examinations of all seeds, specifically the registration of seed dealers within LA (R.S. 3:1433). The additional increase in FY 10 statutory dedicated budget authority from the Seed Commission Fund will reduce the FY 10 projected year end fund balance from \$443,012 to \$264,038.

II. IMPACT ON FUTURE FISCAL YEARS

This BA-7 requests the utilization of a portion of the FY 10 unappropriated fund balance within the Seed Commission Fund.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

**LEGISLATIVE FISCAL OFFICE
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Approved By JLCB**

DEPARTMENT: Executive

AGENDA NO.: 11

AGENCY: Elderly Affairs

ANALYST: Evan Brasseaux

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Administrative	\$81,664	0
Interagency Transfers:	\$0	Title III, Title V, Title VII and USDA	\$0	0
Self-Generated Revenue:	\$0	Action Match	\$0	0
Statutory Dedications:	\$0	Parish Councils on Aging	\$0	0
		Senior Centers	\$0	0
Federal Funds:	\$81,664			
Total	<u>\$81,664</u>	Total	<u>\$81,664</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to budget a federal grant award (LA Improvement for Patients & Providers Act or MIPPA) provided to the state by the Center for Medicare & Medicaid Services (CMS) for the Medicare Enrollment Assistance Program. This grant award is 100% federal funding with no state match required. The purpose of this program is to provide outreach to individuals throughout the state with a special emphasis on the rural communities and to increase public awareness and enrollment into the benefits available under Medicare Part D, Low Income Subsidy (LIS) and Medicare Savings Plan (MSP).

The LA MIPPA Outreach Grant will achieve outreach efforts through contractual agreements with the various Councils on Aging across the state. The COA's role is to reach the Medicare eligible individuals and to educate and assist in the enrollment process of the Medicare Savings Plan, the Low Income Subsidy, and the Medicare Part D programs. The anticipated expenditures are as follows:

\$70,199 - enrollment and outreach events at the various Council's on Aging (includes \$2,242 for 31 COAs targeting rural areas of the state and \$697 for Baton Rouge Sickle Cell Foundation.

\$6,465 - survey to be performed by the University of LA-Monroe to determine the number of elderly who are not currently enrolled.

\$5,000 - travel expenses.

II. IMPACT ON FUTURE FISCAL YEARS

This is a 2-year grant award. An additional award will be available to the state in the amount of \$81,664 in FY 11.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

**LEGISLATIVE FISCAL OFFICE
ANALYSIS OF BA-7 REQUEST
Approved By JLCB**

DEPARTMENT: Executive

AGENDA NO.: 12

AGENCY: Elderly Affairs

ANALYST: Evan Brasseaux

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Administrative	\$0	0
Interagency Transfers:	\$0	Title III, Title V, Title VII and USDA	\$99,654	0
Self-Generated Revenue:	\$0	Action Match	\$0	0
Statutory Dedications:	\$0	Parish Councils on Aging	\$0	0
		Senior Centers	\$0	0
Federal Funds:	\$99,654			
Total	<u>\$99,654</u>	Total	<u>\$99,654</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to budget federal grant funds awarded to the state by the Administration on Aging for the Statewide Legal Assistance Program. This BA-7 budgets the first year of a 3-year grant award which is designed to conduct a statewide survey on the needs of seniors and conduct outreach efforts to advise seniors of all legal resources available including those by phone and internet. The grant funds require 25% state match which will be provided through in-kind services by the Office of Elderly Affairs (11.5%) and from the LA Civil Justice Center (13.5%).

The Office of Elderly Affairs is the lead agency in this application. Other partners are the LA Civil Justice Center (LCJC), Southeast LA Legal Services, Advocacy Center, Capital Area Agency on Aging, the Pro Bono Project, and Elder Law Task Force.

A disaster hotline was created following Hurricanes Katrina and Rita. This disaster hotline became a statewide helpline which was used following Hurricane Gustav for coordinating legal services for hurricane victims, answering questions regarding hurricane related matters such as food stamps and housing, providing information on Disaster Recovery Centers, and arranging for legal service to assist with FEMA appeals. Through the grant award this helpline will now provide legal assistance for seniors with the greatest social and economic need.

Objectives of the grant are as follows:

- 1) conduct a statewide legal needs assessment on seniors
- 2) publicize the toll free legal helpline
- 3) provide a statewide toll free helpline to seniors statewide
- 4) develop packets and downloadable forms such as healthcare powers of attorney and living wills
- 5) refer seniors who need direct representation to legal service providers

The budgeted expenses for these grant funds are listed below:

\$48,729 - Professional Services (marketing and publicity campaign for legal hotline, LA Civil Justice Center to operate legal hotline, and LSU to perform survey of 500 seniors age 60 and over and analyze results to determine whether seniors have used legal services, need to use legal services, or know how to access legal services in different areas of the state)

\$38,835 - funding for contracts for project supervisor and clerical support

\$4,875 - operating services (printing, equipment rentals, and room rentals for meetings)

\$5,215 - travel (\$3,925) and supplies (\$1,290)

\$2,000 - acquisitions (laptop and printer)

II. IMPACT ON FUTURE FISCAL YEARS

As noted above, this is the first year of a 3-year grant. An additional \$99,654 will be available in both FY 11 and FY 12.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

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Approved By JLCB**

DEPARTMENT: Executive

AGENDA NO.: 13

AGENCY: Elderly Affairs

ANALYST: Evan Brasseaux

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Administrative	\$0	0
Interagency Transfers:	\$0	Title III, Title V, Title VII and USDA	\$444,134	0
Self-Generated Revenue:	\$0	Action Match	\$0	0
Statutory Dedications:	\$0	Parish Councils on Aging	\$0	0
		Senior Centers	\$0	0
Federal Funds:	\$444,134			
Total	<u>\$444,134</u>	Total	<u>\$444,134</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to budget additional federal Title V/Senior Community Service Employment funds in the amount of \$444,134. The amount requested is the balance of the federal award for FY 10 that was not originally budgeted during the 2009 Regular Session. The original amount budgeted for this program for FY 10 was \$1,475,256. However, the total amount of Title V funds available to the state for FY 10 is \$1,919,390. This BA-7 request will allow the entirety of Title V funds (authorized by the Older Americans Act and received through the U.S. Department of Labor) to be budgeted and available to the state for expenditure during the current fiscal year. Grant funding not obligated by 6/30/2010 will be unavailable.

Title V/Senior Community Service Employment grant funds are utilized to provide work experience and training opportunities to low-income individuals at age 55 and over in non-profit 501 (c)(3) eligible organizations.

No state funds are necessary to match the additional federal funds appropriated through this BA-7 request.

A 10% match will be provided by the subrecipients (local Area Agencies on Aging or catholic charities) through in-kind services or donations.

II. IMPACT ON FUTURE FISCAL YEARS

Approval of this BA-7 request will have no impact on future fiscal years.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

**LEGISLATIVE FISCAL OFFICE
ANALYSIS OF BA-7 REQUEST
Approved By JLCB**

DEPARTMENT: Executive

AGENDA NO.: 14

AGENCY: Elderly Affairs

ANALYST: Evan Brasseaux

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Administrative	\$0	0
Interagency Transfers:	\$0	Title III, Title V, Title VII and USDA	\$61,307	0
Self-Generated Revenue:	\$0	Action Match	\$0	0
Statutory Dedications:	\$0	Parish Councils on Aging	\$0	0
		Senior Centers	\$0	0
Federal Funds:	\$61,307			
Total	<u>\$61,307</u>	Total	<u>\$61,307</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to budget the remainder of Federal funds (ARRA Congregate Meals and ARRA Home-Delivered Meals Programs) which were not expended in FY 09. A total of \$861,168 was originally budgeted for Congregate Meals and \$423,960 for Home-Delivered Meals and was intended to augment the current meals program to increase the number of meals served by Area Agencies on Aging to seniors and/or decrease the waiting list for such services. These grant funds were not fully expended in FY 09 due to the timing of the grant award which was received and budgeted in April 2009.

These grant funds were allocated based on the funding formula currently authorized by the Office of Elderly Affairs to distribute funding for the elderly nutrition program, authorized under Title III of the Older Americans Act. This program provides grants to state agencies on aging to support congregate and home-delivered meals to persons 60 years and older.

Of the funds being re-budgeted, a total of \$16,065 is for administrative costs and \$45,242 is to provide meals to the elderly. The administrative costs are related to increased travel associated with program auditors and monitors since the program's monitoring requirements are greater than what is currently provided in the regular audit and monitoring plans. Program monitors must travel to train each of the agencies to prepare for reporting requirements. Dieticians are required to inspect any new public meal site opened for compliance with public health standards and licensing. Additional audit assistance is also anticipated due to the agency's loss of 2 of its 4 auditors in FY 10.

A 15% match for these funds will be provided by the subrecipients (Area Agencies on Aging) and will be funded with either local millages or in-kind services).

NOTE: The ARRA grant funds allow for 25% administrative costs. The Office of Elderly Affairs will use only 5% of the total ARRA funds received for a total administrative cost of \$64,258. The \$16,065 noted above for administrative costs for FY 10 is included in the \$64,258 originally budgeted for administrative expense.

II. IMPACT ON FUTURE FISCAL YEARS

Approval of this BA-7 request will have no impact on future fiscal years.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

**LEGISLATIVE FISCAL OFFICE
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Approved By JLCB**

DEPARTMENT: Executive

AGENDA NO.: 15

AGENCY: Elderly Affairs

ANALYST: Evan Brasseaux

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Administrative	\$0	0
Interagency Transfers:	\$0	Title III, Title V, Title VII and USDA	\$977,977	0
Self-Generated Revenue:	\$0	Action Match	\$0	0
Statutory Dedications:	\$0	Parish Councils on Aging	\$0	0
		Senior Centers	\$0	0
Federal Funds:	\$977,977			
Total	<u>\$977,977</u>	Total	<u>\$977,977</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to budget federal funds received through a Nutrition Services Incentive Program (NSIP) grant award from the Administration on Aging. The NSIP grant provides additional funding to states, territories, and eligible tribal organizations that is used exclusively to purchase food, and may not be used to pay for other nutrition-related services or for state or local administrative costs. These funds will be passed through to the Area Agencies on Aging to supplement their meals program. The additional meals provided will benefit the seniors who are recipients at senior centers, meal sites or receive meals delivered to their homes.

The grant award will result in an increase in home delivered meals provided by the Area Agencies on Aging from 3,037,500 to 3,216,606 or an increase of 179,106 meals provided in FY 10. The average cost of these meals served is \$5.46.

Funds are disbursed to the Office of Elderly Affairs based on the ratio of eligible meals served by the state compared to the nation's total. Funds are then disbursed to each Area Agency on Aging according to the ratio of each Area Agency's meals served to the state total.

The BA-7 requested amount is determined as follows:

\$3,000,000	FY 10 NSIP existing budget
(\$1,562,105)	FY 10 Payments to Area Agencies on Aging from previous grant award
<u>(\$2,415,872)</u>	FY 10 Current NSIP grant award (75%)
(\$977,977)	FY 10 Insufficient budget for the NSIP grant

The final award of the remaining 25% of NSIP grant funds will be budgeted in FY 11.

II. IMPACT ON FUTURE FISCAL YEARS

The final award of the remaining 25% of NSIP grant funds will be budgeted in FY 11.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

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Original: Not approved by JLCB**

DEPARTMENT: Ancillary

AGENDA NO.: 16

AGENCY: LA Property Assistance Agency

ANALYST: Evan Brasseaux

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	LA Property Assistance Agency	\$8,073,068	0
Interagency Transfers:	\$0			
Self-Generated Revenue:	\$8,073,068			
Statutory Dedications:	\$0			
Federal Funds:	\$0			
Total	<u>\$8,073,068</u>	Total	<u>\$8,073,068</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to increase SGR budget authority in the LA Property Assistance Agency (LPAA) related to the sale of 336 generators by the Department of Natural Resources (DNR) and 6 airplanes for the Department of Agriculture & Forestry (DAF). DNR originally purchased these generators following Hurricane Gustav and has sold all but 138. In addition, the DAF has sold 6 of its 18 airplanes.

The LPAA sale of the 6 airplanes owned by the Department of Agriculture & Forestry (DAF) generated a total of \$683,862. These planes were originally purchased with monies from the Forest Protection Fund. The DAF will receive 80% of the proceeds from the sale which is \$547,090.

The DNR originally purchased 336 generators following Hurricane Gustav utilizing the Coastal Protection & Restoration Fund in the amount of \$11,417,533. According to the LPAA, these generators have been sold to police juries, parish hospitals, local offices of emergency preparedness, parish councils, and sheriff's offices across the state. Funding for the purchase of these generators is being provided to local governments by the Governor's Office of Emergency Preparedness (GOHSEP) through the Hazard Mitigation Grant Program.

GOHSEP is currently negotiating the sale of all of these generators (rather than LPAA) which will allow all of the funding from the sale to reimburse the Coastal Protection & Restoration Fund (CPRF). At such time as the sale of these generators is turned over to the LPAA (3/31/2010), revenues generated through the sales will be split with 20% to LPAA and 80% to DNR. According to the LPAA, the average purchase price of the generators sold to date has been approximately 80% of the original cost at the time of purchase.

Revenues generated from the auction of state property accrues to either the selling agency or the LPAA, depending upon the original funding source used for the purchase of such property. If the property was purchased with federal grant funds, SGR or Statutory Dedications, the LPAA typically receives 20% of the proceeds, while the selling agency receives 80%. If the property was purchased with SGF, the LPAA receives the full amount generated from the auction.

The LPAA did not anticipate the need to reimburse the aforementioned agencies for these transactions. The agency's budget is based on historical collections. In addition to these examples shown above, the recent surplus of state vehicles has also significantly impacted this agency's ability to reimburse the selling agencies their portions because of insufficient budget authority. Therefore, this BA-7 request will increase its SGR budget authority to allow such reimbursement.

The requested increase in SGR budget authority is \$8,073,068. However due to additional information received by the LFO, the revised calculation is as follows:

\$547,090 6 Aircraft sold by DAF - (80% reimbursement to DAF)
\$2,411,344 Remaining generators to be sold (104 x \$23,186 avg. price of previous sales) 34 generators will not be sold and will be held by GOHSEP for use in emergencies
\$3,168,579 Generators sold to date (198 have been sold. A portion of the total sales has previously been reimbursed. This

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Original: Not approved by JLCB

figure reflects only that amount of reimbursement to the CPRF still outstanding.

\$193,173	Negative balance exists in IAT reimbursement category due to greater than expected sales during FY 10
\$322,872	Other invoices requiring reimbursement through February 2010 - (reimbursement to state agencies)
\$296,644	Regular monthly reimbursements excluding generators and aircraft from 3/1 - 6/30/2010
\$6,939,702	Total

To date, a total of 198 generators have been sold with all funding reimbursed to the CPRF. In addition, any generators sold prior to March 31 will allow 100% reimbursement to the CPRF. As discussed previously, once the LPAA takes over the sale of these generators, only 80% of the sale price will be reimbursed to the CPRF while LPAA will maintain 20%.

II. IMPACT ON FUTURE FISCAL YEARS

Approval of this BA-7 request will have no impact on future fiscal years.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request in the amount of \$6,939,702 due to updated information obtained on the number of generators sold to date and the number of generators which will be held back by GOHSEP for use as needed.

**LEGISLATIVE FISCAL OFFICE
ANALYSIS OF BA-7 REQUEST
Amended: Approved by JLCB**

DEPARTMENT: Ancillary

AGENDA NO.: 16

AGENCY: LA Property Assistance Agency

ANALYST: Evan Brasseaux

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	LA Property Assistance Agency	\$547,090	0
Interagency Transfers:	\$0			
Self-Generated Revenue:	\$547,090			
Statutory Dedications:	\$0			
Federal Funds:	\$0			
Total	<u>\$547,090</u>	Total	<u>\$547,090</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to increase SGR budget authority in the LA Property Assistance Agency (LPAA) related to the sale of 336 generators by the Department of Natural Resources (DNR) and 6 airplanes for the Department of Agriculture & Forestry (DAF). DNR originally purchased these generators following Hurricane Gustav and has sold all but 138. In addition, the DAF has sold 6 of its 18 airplanes. The LPAA sale of the 6 airplanes owned by the Department of Agriculture & Forestry (DAF) generated a total of \$683,862. These planes were originally purchased with monies from the Forest Protection Fund. The DAF will receive 80% of the proceeds from the sale which is \$547,090.

II. IMPACT ON FUTURE FISCAL YEARS

Approval of this BA-7 request will have no impact on future fiscal years.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

**LEGISLATIVE FISCAL OFFICE
ANALYSIS OF BA-7 REQUEST
Approved By JLCB**

DEPARTMENT: Executive

AGENDA NO.: 20

AGENCY: Military Department

ANALYST: Evan Brasseaux

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Military Affairs	\$12,781	0
Interagency Transfers:	\$12,781	Education	\$0	0
Self-Generated Revenue:	\$0	Auxiliary Account	\$0	0
Statutory Dedications:	\$0			
Federal Funds:	\$0			
Total	<u>\$12,781</u>	Total	<u>\$12,781</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to increase IAT budget authority in the Military Department to allow the agency to budget funds transferred from the Governor's Office of Homeland Defense & Emergency Preparedness (GOHSEP) related to the Arkansas Ice Storm Mission in February 2009. These Federal funds are a reimbursement of personnel (\$9,125) and transportation costs (\$3,656) incurred by the State Military Department in hauling water to Camp Robinson in Arkansas for a period of 7 days following an ice storm. The Military Department incurred expenses related to the use of 15 national guard personnel, six 2,500 gallon rough terrain water tankers (HIPPOS) and one Hemi fuel truck.

LA is a member of the Emergency Management Assistance Compact (EMAC) Program which is a congressionally ratified organization that is administered by the National Emergency Management Association and was created in 1996 to provide state-to-state assistance during times of emergency.

II. IMPACT ON FUTURE FISCAL YEARS

Approval of this BA-7 request will have no impact on future fiscal years.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

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**LEGISLATIVE FISCAL OFFICE
ANALYSIS OF BA-7 REQUEST
Approved By JLCB**

DEPARTMENT: Executive

AGENDA NO.: 21

AGENCY: Military Department

ANALYST: Evan Brasseaux

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Military Affairs	\$26,505	0
Interagency Transfers:	\$26,505	Education	\$0	0
Self-Generated Revenue:	\$0	Auxiliary Account	\$0	0
Statutory Dedications:	\$0			
Federal Funds:	\$0			
Total	<u>\$26,505</u>	Total	<u>\$26,505</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to increase IAT budget authority in order to collect reimbursement from GOHSEP (federal funds) based approved FEMA Project Worksheets (PWs). The approved PWs (#4294, #5003, #5173 and #1088) are expenses incurred by the Military Department due to Hurricanes Gustav and Ike.

PW #4294 (\$8,796)

These expenses are associated with the replacement of 15 vinyl coated metal storage sheds (10ft x 8ft) located at Camp Beauregard. These storage sheds were kits that had been assembled and placed adjacent to house trailers. A total of 15 of the 50 sheds were destroyed by high winds during Hurricane Gustav. FEMA pays 90% of the eligible amount of \$9,772.80 or \$8,796.

PW #5003 (\$2,219)

These expenses are associated with repair of building #554B located at Camp Beauregard. High winds, flying debris, and heavy rain caused damage to the standard asphalt shingle roof and plywood siding on building 554B. FEMA pays 90% of the eligible amount of \$2,465.26 or \$2,219.

PW #5173 (\$1,087)

These expenses are associated with damages sustained by traffic control equipment at Camp Villere in Slidell during Hurricane Gustav. High winds damaged six 36 inch tall traffic cones, three 24 inch by 18 inch traffic signs (speed limit 15), three 24 inch by 18 inch traffic signs (speed limit 20), five 24 inch by 24 inch traffic signs (STOP), and seven 8 ft. U-Channel sign posts. FEMA pays 90% of eligible amount of \$1,207.71 or \$1,087.

PW #1088 (\$14,403)

These expenses are related to Military Department emergency protective measures pertaining to Hurricane Ike including purchase of materials (\$8,300.40), rental of equipment (\$2,167.25) and contracts for emergency repairs (\$2,860.55) and reimbursement of direct administrative costs by the Military Department (\$1,075.22). FEMA reimbursed 100% of these expenses.

II. IMPACT ON FUTURE FISCAL YEARS

Approval of this BA-7 request will have no impact on future fiscal years.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

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**LEGISLATIVE FISCAL OFFICE
ANALYSIS OF BA-7 REQUEST
Approved By JLCB**

DEPARTMENT: Executive

AGENDA NO.: 22

AGENCY: Military Department

ANALYST: Evan Brasseaux

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Military Affairs	\$54,718	0
Interagency Transfers:	\$54,718	Education	\$0	0
Self-Generated Revenue:	\$0	Auxiliary Account	\$0	0
Statutory Dedications:	\$0			
Federal Funds:	\$0			
Total	<u>\$54,718</u>	Total	<u>\$54,718</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to increase IAT budget authority in the State Military Department (SMD) to receive funding from DOTD (TTF-Regular) for reimbursement of expenditures related to "special leave pay". Executive Order KBB 2006-30 states that "an unclassified officer or employee who is serving in a position that earns annual and sick leave shall be given time off, without loss of pay, annual leave, or sick leave when ... the officer or employee is a member of the National Guard and is ordered to active duty incidental to a local emergency, an act of God, a civil or criminal insurrection, a civil or criminal disobedience, or similar occurrence of an extraordinary and emergency nature which threatens or affects the peace or property of the people of the state of LA or the United States."

Following Hurricane Katrina, 2 employees of DOTD who were members of the LA National Guard (LNG) were called to active duty. At that time, these employees took leave without pay for the time served on active duty. DOTD did not pay these individuals for this time as was directed by the Executive Order. This discrepancy was discovered in 2009. At this time the 2 individuals had become employees of the SMD. Following legal review by the SMD and audits by SMD, DOTD and the DOA, the SMD was directed by the DOA to pay the 2 individuals for the period in question since the employees were no longer employed by DOTD and were currently employed by the SMD. This BA-7 provides reimbursement to SMD for the payment to the 2 individuals. Payment to the 2 individuals was made by the SMD in October 2009 and reimbursement from DOTD was received in November 2009.

Amounts paid to the 2 individuals are as follows:

John P. Basillica Jr. - \$2,536.15 (9/26/2005 - 10/9/2005)

Donald Johnson- \$52,181.97 (10/24/2005 - 10/22/2006)

II. IMPACT ON FUTURE FISCAL YEARS

Approval of this BA-7 request will have no impact on future fiscal years.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

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**LEGISLATIVE FISCAL OFFICE
ANALYSIS OF BA-7 REQUEST
Original: Not approved by JLCB**

DEPARTMENT: Executive

AGENDA NO.: 23

AGENCY: Military Department

ANALYST: Evan Brasseaux

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Military Affairs	\$100,000	0
Interagency Transfers:	\$100,000	Education	\$0	0
Self-Generated Revenue:	\$0	Auxiliary Account	\$0	0
Statutory Dedications:	\$0			
Federal Funds:	\$0			
Total	<u>\$100,000</u>	Total	<u>\$100,000</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to increase IAT budget authority for the State Military Department (SMD) to receive federal grant funds (Homeland Security Grant Program) from the Governor's Office of Homeland Security & Emergency Preparedness (GOHSEP). States are required to ensure that at least 25% of these grant funds are dedicated towards law enforcement terrorism prevention-oriented planning, organization, training, exercise, and equipment activity. All of the funding in this BA-7 is related to that purpose. These federal grant funds will allow the SMD to provide training for its Special Reaction Teams (SRT) and force protection training/re-certification.

Approximately 75% of the funds will be used for state active duty pay for LNG members during these training exercises. The remainder of the funds will be used to purchase equipment to be used during training.

These funds will be expended as follows based upon information provided by the SMD:

Training session in April 2010 - (3 days) - \$32,625 Includes training for the current SRT in firearm qualifications (9mm and 12 gauge). Training cost is estimated at 125 members of the LNG x \$87 / day x 3 days = \$32,625

Training session in May 2010 - (3 days) - \$32,625 Includes firearm training for new applicants and trainers (9mm and 12 gauge). Training cost is estimated at 125 members of the LNG x \$87 / day x 3 days = \$32,625

Training session in July 2010- (3 days) - \$10,722 Includes advanced firearm training for new and old members.

Equipment Acquisitions - \$24,028 (includes pepper spray and pepper spray holders, batons, training mats, training cuffs, holsters, stream lights and holsters, radio pouches and breaching kits (used to enter locked doors and windows).

These grant funds do not require a state match.

II. IMPACT ON FUTURE FISCAL YEARS

Advanced firearms training is scheduled for July 2010 (FY 11). Therefore, the cost to provide this training (\$10,722) should be budgeted in the SMD budget for FY 11 rather than in the current fiscal year.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request in the amount of \$89,278 due to a portion of the training (advanced firearm) occurring in FY 11. The LFO recommends that this BA-7 be reduced by \$10,722 which will be budgeted in the SMD budget in FY 11.

**LEGISLATIVE FISCAL OFFICE
ANALYSIS OF BA-7 REQUEST
Amended: Approved by JLCB**

DEPARTMENT: Executive

AGENDA NO.: 23

AGENCY: Military Department

ANALYST: Evan Brasseaux

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Military Affairs	\$89,278	0
Interagency Transfers:	\$89,278	Education	\$0	0
Self-Generated Revenue:	\$0	Auxiliary Account	\$0	0
Statutory Dedications:	\$0			
Federal Funds:	\$0			
Total	<u>\$89,278</u>	Total	<u>\$89,278</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to increase IAT budget authority for the State Military Department (SMD) to receive federal grant funds (Homeland Security Grant Program) from the Governor's Office of Homeland Security & Emergency Preparedness (GOHSEP). States are required to ensure that at least 25% of these grant funds are dedicated towards law enforcement terrorism prevention-oriented planning, organization, training, exercise, and equipment activity. All of the funding in this BA-7 is related to that purpose. These federal grant funds will allow the SMD to provide training for its Special Reaction Teams (SRT) and force protection training/re-certification.

Approximately 75% of the funds will be used for state active duty pay for LNG members during these training exercises. The remainder of the funds will be used to purchase equipment to be used during training.

These funds will be expended as follows based upon information provided by the SMD:

Training session in April 2010 - (3 days) - \$32,625 Includes training for the current SRT in firearm qualifications (9mm and 12 gauge). Training cost is estimated at 125 members of the LNG x \$87 / day x 3 days = \$32,625

Training session in May 2010 - (3 days) - \$32,625 Includes firearm training for new applicants and trainers (9mm and 12 gauge). Training cost is estimated at 125 members of the LNG x \$87 / day x 3 days = \$32,625

Equipment Acquisitions - \$24,028 (includes pepper spray and pepper spray holders, batons, training mats, training cuffs, holsters, stream lights and holsters, radio pouches and breaching kits (used to enter locked doors and windows).

These grant funds do not require a state match.

II. IMPACT ON FUTURE FISCAL YEARS

The advanced firearms training is scheduled for July 2010 (FY 11). Therefore, the cost to provide this training (\$10,722) will be budgeted in the SMD budget for FY 11.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

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**LEGISLATIVE FISCAL OFFICE
ANALYSIS OF BA-7 REQUEST
Approved By JLCB**

DEPARTMENT: Executive

AGENDA NO.: 24

AGENCY: Military Department

ANALYST: Evan Brasseaux

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Military Affairs	\$359,250	0
Interagency Transfers:	\$359,250	Education	\$0	0
Self-Generated Revenue:	\$0	Auxiliary Account	\$0	0
Statutory Dedications:	\$0			
Federal Funds:	\$0			
Total	<u>\$359,250</u>	Total	<u>\$359,250</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to increase IAT budget authority for the State Military Department (SMD) to receive grant funds from the Governor's Office of Homeland Defense & Emergency Preparedness (GOHSEP). These federal grant funds from the Department of Homeland Security (State Homeland Security Grant Program) will be used to increase overall communications throughout the LA National Guard by upgrading existing radios to allow digital communications on the LA Wireless Information Network, increase the number of radios to support existing and EMAC (Emergency Management Assistance Compact) troops during a disaster situation, and enhance tactical communications equipment through communications assets which can be deployed throughout the state for military and civilian authorities.

NOTE: LA is a member of the EMAC Program which is a congressionally ratified organization that is administered by the National Emergency Management Association and was created in 1996 to provide state-to-state assistance during times of emergency.

The SMD will acquire an additional (110) 700 mhz radios. These radios will be made available to existing units and EMAC troops that are providing support during disasters to ensure proper communication is available during times of emergency. The SMD will also purchase upgrades to existing radios that are currently operational only on the state's 800 mhz radio system. This upgrade will allow these radios to operate on the LA Wireless Information Network utilizing the 700/800 mhz digital frequencies. Finally, these funds will allow communications equipment to be deployed throughout the state and provide multiple means of communication for command and control for various military and civilian authorities.

The grant funds will be utilized for the purchase of the following:

- 110 Motorola XTS2500 Model 2 radios (\$1,725/radio) = \$189,750
- flash upgrade for analog radios (265 x \$300/upgrade) = \$79,500
- Satellite radio phones (3 x \$5,000) = \$15,000
- Software and service to operate satellite phones (3 x \$25,000) = \$75,000

The satellite phones will be used by the SMD in strategic areas in emergency response situations.

II. IMPACT ON FUTURE FISCAL YEARS

Approval of this BA-7 request will have no impact on future fiscal years.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

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**LEGISLATIVE FISCAL OFFICE
ANALYSIS OF BA-7 REQUEST
Approved By JLCB**

DEPARTMENT: Executive

AGENDA NO.: 25

AGENCY: Military Department

ANALYST: Evan Brasseaux

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Military Affairs	\$12,000	0
Interagency Transfers:	\$12,000	Education	\$0	0
Self-Generated Revenue:	\$0	Auxiliary Account	\$0	0
Statutory Dedications:	\$0			
Federal Funds:	\$0			
Total	<u>\$12,000</u>	Total	<u>\$12,000</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to increase IAT budget authority to receive funds (source is SGF) transferred from the Governor's Office of Homeland Security & Emergency Preparedness (GOHSEP). These funds are to be transferred from GOHSEP to fund the costs associated with the construction of 2 modular storage buildings (10 ft x 20 ft) by LNG (LA National Guard) personnel for GOHSEP. The 2 storage units were assembled at the Gillis W. Long Center in Carville and transported to GOHSEP in Baton Rouge. Three LNG trucks were used in transporting the 2 units and one crane for delivery and set up.

Expenditures to be reimbursed by GOHSEP include:

Supplies and Materials - \$1,000

Travel - \$800

Personnel - \$10,200

Total - \$12,000

II. IMPACT ON FUTURE FISCAL YEARS

Approval of this BA-7 request will have no impact on future fiscal years.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

**LEGISLATIVE FISCAL OFFICE
ANALYSIS OF BA-7 REQUEST
Approved By JLCB**

DEPARTMENT: Health & Hospitals

AGENDA NO.: 26

AGENCY: Public Health

ANALYST: Patrice Thomas

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Vital Records & Statistics	\$0	0
Interagency Transfers:	\$0	Personal Health Services	\$47,658	0
Self-Generated Revenue:	\$0	Environmental Health Services	\$0	0
Statutory Dedications:	\$0			
Federal Funds:	\$47,658			
Total	<u>\$47,658</u>	Total	<u>\$47,658</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to increase Federal funds budget authority by \$47,658 in the Personal Health Services Program. The source of Federal funds is the American Recovery & Reinvestment Act (ARRA) of 2009, Healthcare-Associated Infections (HAI) supplement.

The purpose of the HAI supplement is to build and sustain state programs to prevent healthcare associated infections, improve the collaboration of HAI reporting activities, and strengthen relationships with hospitals. The supplemental award is \$647,083 for 2 years and 4 months. OPH is requesting only \$343,055 of the \$647,083 HAI supplement over 3 years.

- FY 2010: \$47,658
- FY 2011: \$222,834
- FY 2012: \$72,563
\$343,055

Expenditures in this BA-7 request for the HAI supplement are as follows:

Travel and Training (\$2,115)

Travel throughout LA to various hospitals implementing the HAI plan. Attend Centers for Disease Control (CDC) meetings in Atlanta and Association for Professionals in Infection Control & Epidemiology (APIC) training.

Supplies (\$424)

Funding for general office supplies.

Professional Service (\$45,119)

Contracts for extracting, analyzing HAI data for National Healthcare Safety Network (NHSN) and posting to the web; professional consulting service to work with healthcare providers; and providing infection control employees HAI related trainings.

II. IMPACT ON FUTURE FISCAL YEARS

The Healthcare-Associated Infections supplement period is 9/1/2009 through 12/31/2011. However, OPH may carry forward any unused funds until the project period expires on 12/31/2011.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

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**LEGISLATIVE FISCAL OFFICE
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Approved By JLCB**

DEPARTMENT: Health & Hospitals

AGENDA NO.: 27

AGENCY: Public Health

ANALYST: Patrice Thomas

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Vital Records & Statistics	\$0	0
Interagency Transfers:	\$0	Personal Health Services	\$576,302	0
Self-Generated Revenue:	\$0	Environmental Health Services	\$0	0
Statutory Dedications:	\$0			
Federal Funds:	\$576,302			
Total	<u>\$576,302</u>	Total	<u>\$576,302</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to increase Federal Funds budget authority by \$576,302 in the Personal Health Services Program, Nutrition Services activity. The source of Federal funds is the U.S. Department of Agriculture, Food & Nutrition Service Grant.

In December 2009, the Office of Public Health (OPH) was approved to receive the Food & Nutrition Service Grant. The grant will be used to cover 4 enhancements itemized below to the LA Women, Infant, & Child (WIC) Management Information System (PHAME).

OPH has amended an existing contract with CIBER, Inc. to develop the enhancements. Originally, OPH was using Operational Adjustment grant funds awarded by the federal government for enhancements to PHAME. However, the federal government asked OPH to apply for American Recovery & Reinvestment Act (ARRA) grant funds for the IT elements of the contract in lieu of using Operational Adjustment grant funds. Therefore, OPH amended an existing contract with CIBER, Inc. to develop the enhancements with Food & Nutrition Service Grant funds. Therefore, this is essentially a grant swap replacing Operational Adjustment grant funds with the Food & Nutrition Service Grant funds. The Operational Adjustment grant funds will not be reduced and will remain in the budget. CIBER, Inc. is expected to complete the final web-based application enhancements at the end of March 2010.

Grant funding in this BA-7 request will be allocated to the expenditures as follows:

Travel (\$3,000)

Airfare and hotel accommodations for 4 days for 2 WIC vendor unit staff members will travel to Wisconsin to visit the Wisconsin WIC program that developed and implemented a vendor portal. The vendor portal is a web-based application that will allow WIC vendors to enter their food prices instead of WIC program staff.

Other Charges (\$557,302)

Contract with CIBER, Inc. for development for the four PHAME enhancements.

- Food Package Enhancements - \$326,247
- Vendor Pricing System Modifications - \$43,990
- Modification of Certification End Date - \$16,614
- Vendor Portal - \$170,451

Acquisitions (\$16,000)

2 servers for hosting the Vendor Portal application with redundancy back up.

II. IMPACT ON FUTURE FISCAL YEARS

Although the Food and Nutrition Service Grant was awarded for 2 years, 10/1/2009 – 9/30/2011, OPH is estimating that the project will be completed by the end of March 2010 and all grant funds will be expended by the end of April 2010. However,

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the agency may carry forward any unexpended funds until 9/30/2011.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

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Approved By JLCB

DEPARTMENT: Health & Hospitals

AGENDA NO.: 28

AGENCY: Public Health

ANALYST: Patrice Thomas

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Vital Records & Statistics	\$0	0
Interagency Transfers:	\$0	Personal Health Services	\$0	0
Self-Generated Revenue:	\$0	Environmental Health Services	\$583,550	0
Statutory Dedications:	\$0			
Federal Funds:	\$583,550			
Total	<u>\$583,550</u>	Total	<u>\$583,550</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to increase Federal funds budget authority by \$583,550 in the Environmental Health Services Program. The source of Federal Funds is from the following 2 grants: (1) Public Health Tracking Grant from the U.S. Department of Health & Human Services, Centers for Disease Control & Prevention, National Environmental Public Health Tracking Program (EPHT); and (2) Hazardous Substance Incidents Grant from the U.S. Department of Health & Human Services, Centers for Disease Control & Prevention, Agency for Toxic Substance & Disease Registry (ATSDR), National Toxic Substances Incident Program (NTSIP).

The purpose of the Public Health Tracking grant is to build a user-friendly web site on which to display health and environmental data on LA. The web site will be designed for use by state officials, researchers and the general public. The grant is \$678,510 per year for 5 years. The total Public Health Tracking grant award is \$3,392,550.

The purpose of the Hazardous Substance Incidents grant is to track hazardous chemical releases and their public health impact. Also, the grant requires that data will be analyzed to identify vulnerabilities as well as perform prevention outreach activities. The grant is \$172,794 per year for 3 years. The total Hazardous Substance Incidents grant award is \$518,382.

Expenditures for this BA-7 request are as follows:

Travel and Training (\$13,027)

Public Health Tracking Grant—participation in a mandatory grantee workshop for 3 staff members (\$1,885).

Hazardous Substance Incidents Grant—participation in mandatory annual grantee workshop and training on the SAS software and ArcGIS software (\$11,142).

Operating Services (\$33,949)

Public Health Tracking Grant—printing of grant marketing and outreach materials (\$3,500); extended warranty on 4 Dell laptops and workstations (\$1,650); and maintenance of software and licenses (\$27,800).

Hazardous Substance Incidents Grant—maintenance of Phaser 7700 software (\$999).

Supplies (\$6,320)

Public Health Tracking Grant—general office supplies and computer supplies (\$4,000).

Hazardous Substance Incidents Grant—general office supplies and computer supplies (\$2,320).

Professional Service (\$347,276)

Public Health Tracking Grant—contract for GIS activities in last 4 months of FY 10 (\$37,500); information technology contract to build the public and secure portals and oversee all IT aspects of the project (\$260,026).

Hazardous Substance Incidents Grant—contract for coordination of victim data as well as analyze data and prepare reports (\$49,750).

Acquisitions (\$18,195)

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Public Health Tracking Grant—two Dell dual processor GIS workstations, 2 desktop computers, 2 laptop computers (\$14,100); 2 network printers and In-Focus projector (\$1,270).
Hazardous Substance Incidents Grant—2 laptops for emergency response (\$2,825).

IAT Expenditures (\$38,000)

Public Health Tracking Grant—Department of Health & Hospitals (DHH) IT for project management and technical assistance while Request for Proposal (RFP) is being negotiated (\$30,000).
Hazardous Substance Incidents Grant—IAT agreement with LA State Police for labor and supplies to provide follow-up reports from companies that report chemical spills (\$8,000).

Indirect Cost (\$126,783)

Indirect costs of 22% for facilities and administration.

	Public Health Tracking Grant	Hazardous Substance Incidents Grant	Total
Travel	\$1,885	\$11,142	\$13,027
Operating Services	\$32,950	\$999	\$33,949
Supplies	\$4,000	\$2,320	\$6,320
Professional Services	\$297,526	\$49,750	\$347,276
Acquisitions	\$15,370	\$2,825	\$18,195
IAT Expenditures	\$30,000	\$8,000	\$38,000
Indirect Cost (22%)	<u>\$110,897</u>	<u>\$15,886</u>	<u>\$126,783</u>
Total	\$492,628	\$90,922	\$583,550

II. IMPACT ON FUTURE FISCAL YEARS

The Public Health Tracking Grant period is 8/1/2009 through 7/31/2014. However, OPH may carry forward any unused funds until the project period expires on 7/31/2014.

The Hazardous Substance Incidents Grant period is from 9/30/2009 through 9/29/2012. However, OPH may carry forward any unused funds until the project period expires on 9/29/2012.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

**LEGISLATIVE FISCAL OFFICE
ANALYSIS OF BA-7 REQUEST
Approved By JLCB**

DEPARTMENT: Health & Hospitals

AGENDA NO.: 29

AGENCY: Medical Vendor Payments

ANALYST: Shawn Hotstream

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Private Providers	\$0	0
Interagency Transfers:	\$0	Public Providers	\$0	0
Self-Generated Revenue:	\$0	Medicare Buy-Ins & Supplements	\$0	0
Statutory Dedications:	\$60,706,514	Uncompensated Care Costs	\$0	0
Federal Funds:	\$0	Recovery Funds	\$60,706,514	0
Total	<u>\$60,706,514</u>	Total	<u>\$60,706,514</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to budget revenues from the Medicaid Trust Fund for the Elderly to address approximately half of the state's settlement for a federal disallowance of funds paid to public nursing facilities in 2001. This portion of the settlement is due to be paid by 6/30/2010. The original source of statutory dedicated revenue was supplemental Upper Payment Limit payments (federal funds) that were deposited into the Medicaid Trust Fund for the Elderly.

In January of 2001, the Centers for Medicare & Medicaid Services (CMS) approved a state plan amendment for LA that established a Medicaid payment methodology which reimbursed supplemental Medicaid payments up to the aggregate Upper Payment Limit for nursing facilities. Information provided by CMS indicates that total state UPL claims resulted in \$937.9 M in federal matching funds payments to LA. Total supplemental payments were made through an Intergovernmental Transfer (IGT) agreement, and then deposited into the Medicaid Trust Fund for the Elderly (newly created fund to receive the payments). IGT's are transfers of public funds between governmental entities. In 2007, the Department of Health & Hospitals (DHH) received a letter from the CMS that reflected a disallowance of federal funds in the amount of \$116,377,027. This disallowance is the result of the state increasing supplemental payments to non state public nursing facilities in excess of the Upper Payment Limit for the period of 4/1/2001 through 9/30/2002.

The CMS determined that a portion of the supplemental payments were considered to be unallowable due to a miscalculation in the upper payment methodology. Although the state originally appealed the disallowance, information provided by the DHH indicates that an appeal was denied. Both the state and CMS have resolved the overpayment dispute. The settlement agreement requires the state to make 4 separate quarterly payments to CMS, the first starting on 3/31/2010. The settlement payments will be paid back to CMS with 100% statutory dedicated funds. The settlement payments and schedule are reflected below (the total amount of funds required to be repaid is higher than the original amount reflected on the CMS disallowance letter due to projected accrued interest).

Due Date	Settlement Payment
March 31, 2010	\$30,244,555.52
June 30, 2010	\$30,461,958.01
September 30, 2010	\$30,680,742.67
December 31, 2010	<u>\$30,899,701.97</u>
Total settlement	\$122,286,958.17

II. IMPACT ON FUTURE FISCAL YEARS

The BA-7 only appropriates approximately half of the total disallowance, as the total refund plan falls within 2 separate fiscal years. It is assumed the remaining payments will be appropriated through a BA-7 in FY 11. The impact of this BA-7 will reduce the Medicaid Trust Fund for the Elderly Fund balance by approximately \$122 M over 2 fiscal years. As of 3/1/2010, the Treasury reflects a fund balance of approximately \$815.6 M.

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III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

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LEGISLATIVE FISCAL OFFICE
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Approved By JLCB

DEPARTMENT: Health & Hospitals

AGENDA NO.: 30

AGENCY: Medical Vendor Payments

ANALYST: Shawn Hotstream

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Private Providers	\$42,637,571	0
Interagency Transfers:	\$0	Public Providers	\$0	0
Self-Generated Revenue:	\$7,896,478	Medicare Buy-Ins & Supplements	\$0	0
Statutory Dedications:	\$0	Uncompensated Care Costs	\$0	0
Federal Funds:	\$34,741,093	Recovery Funds	\$0	0
Total	<u>\$42,637,571</u>	Total	<u>\$42,637,571</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 is to appropriate supplemental Medicaid payments to the Private Providers Program in Medicaid. These supplemental payments will be made to Our Lady of the Lake (OLOL) in Baton Rouge as part of a Cooperative Endeavor Agreement (CEA) between the OLOL and the LSU Health Care Services Division. The source of fees and self generated funds are restricted fund revenues generated and transferred from the LSU HSC Health Care Service Division. Restricted funds represent both collected SGR and Medicaid over-collections from prior fiscal years. The source of federal funds is Title XIX federal financial participation (federal match).

As stated in the CEA, the Department of Health & Hospitals (DHH) is obligated to begin making payments to OLOL on or before 6/30/2010, subject to the approval date of a State Plan Amendment. These supplemental Medicaid payments will be made utilizing the Medicaid Upper Payment Limit payment (UPL) Medicaid payment methodology. Utilizing the UPL methodology allows states to receive reimbursements for the difference between Medicaid and Medicare reimbursement for Medicaid services provided (UPL's are the the maximum that state's can pay for Medicaid Services). Information provided by the DHH indicates these payments will be used by OLOL to cover the transition costs associated with the hospitals staff, Graduate Medical Education, and facilities as reflected in the CEA to allow increased access to medical services for the Medicaid populations and low income uninsured populations.

In addition to the supplemental payments reflected in this BA-7, there are approximately \$52 M appropriated in HB 1 Original (\$14.3 SGF and \$37.7 Federal match) for the E.K. Long/OLOL partnership. According to language in the CEA, the state is obligated to make supplemental UPL payments to the OLOL equal to the amount of \$129 M for the period beginning 10/1/2009 through 6/30/2011. The UPL payment schedule is reflected below:

Estimated UPL reimbursement Schedule (includes reimbursement for both inpatient and outpatient costs)

<u>Pay out schedule</u>	<u>State</u>	<u>Federal</u>	<u>Total</u>
October 1, 2009 - June 30, 2010	\$7,896,478	\$34,741,093	\$42,637,571
July 1, 2010 - December 31, 2010	\$5,267,161	\$23,157,886	\$28,425,047
January 1, 2011 - June 30, 2011	<u>\$21,083,413</u>	<u>\$36,853,969</u>	<u>\$57,937,382</u>
Seven (7) quarter total	\$34,247,052	\$94,752,948	\$129,000,000
Eighth(8) quarter in 2012	<u>\$5,094,600</u>	<u>\$8,905,400</u>	<u>\$14,000,000</u>
TOTAL UPL	<u>\$39,341,652</u>	<u>\$103,658,348</u>	<u>\$143,000,000</u>

Information provided by the LSU Health Care Services Division indicates the transition of patients will begin in 2013. In addition to the schedule of UPL payments reflected above, it is anticipated that future UPL payments (same Medicaid payment methodology) will be made to cover the costs of ongoing expenses of providing care. Although the Legislative Fiscal Office does not have an out-year projection of OLOL costs associated with this merger (beyond 2012), Medicaid payments are required to be made from the state through DHH (utilizing the same UPL methodology) to cover certain costs reflected below

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in order to comply with the CEA. The CEA stipulates that these payments will begin 90 days prior to the Graduate Medical Education start date.

Schedule of additional required funding under the CEA

Medicaid - At least 95% of OLOL's Medicaid costs for all inpatient and outpatient services.

Uninsured - At least 100% of OLOL's cost for inpatient and outpatient services provided to the uninsured.

Physician services - 100% of OLOL's costs for providing physician coverage services for the uninsured.

Shortfall - Any shortfall in reimbursement related to the cost of graduate medical education and the Trauma Center.

II. IMPACT ON FUTURE FISCAL YEARS

In addition to the \$143 M in required Medicaid payments reimbursed to OLOL over the course of 8 quarters, the C.E.A. requires additional UPL payments to cover the annual costs associated with providing care to the uninsured and Medicaid, costs associated with GME shortfall, and physician services costs incurred for delivering care to the uninsured. Out year costs will depend on patient utilization and annual cost reports that will be required to be submitted by OLOL.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request contingent upon approval of the Cooperative Endeavor Agreement by the Joint Legislative Committee on the Budget and federal approval of the state plan from the Centers for Medicare and Medicaid Services (CMS). A state plan amendment was submitted to CMS in December 2009, however has yet to receive CMS approval.

Note: The LFO would like to make the JLCB aware of several unknowns related to the OLOL/E.K. Long partnership. First, information received from DHH indicates that the OLOL will not be responsible for providing patient care services for Department of Corrections inmates currently provided at E.K. Long. In addition, the OLOL will not provide Obstetrics related care currently provided at E.K. Long. At this point, there are no assurances relative to services for these patients. Second, the annual state exposure is unknown. The state will be obligated to make additional payments beginning in FY 13 (Graduate Medical Education transfer date) to cover certain costs as itemized in the C.E.A. The state will be responsible for match associated with payments made to the OLOL. Total payments will be subject to OLOL's annual costs reports.

**LEGISLATIVE FISCAL OFFICE
ANALYSIS OF BA-7 REQUEST
Approved By JLCB**

DEPARTMENT: Social Services

AGENDA NO.: 31

AGENCY: Community Services

ANALYST: Patrice Thomas

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Administration & Support	\$0	0
Interagency Transfers:	\$0	Child Welfare Services	\$1,206,559	0
Self-Generated Revenue:	\$0			
Statutory Dedications:	\$0			
Federal Funds:	\$1,206,559			
Total	<u>\$1,206,559</u>	Total	<u>\$1,206,559</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to increase Federal Funds budget authority by \$1,206,559 in the Child Welfare Services Program. The source of Federal funds is the Adoption Incentive grant from the U.S. Department of Health & Human Services.

The Adoption Incentive grant is awarded to States that increase annually the number of foster child adoptions, special needs adoptions, older child adoptions, or exceeds the State's highest foster child adoption rate. DSS was awarded the grant based on outstanding performance in finalizing foster care adoptions during FFY 08. The grant provides for incentive payments for a fiscal year in accordance with the following:

- \$4,000 for every foster child adoption over the foster child adoption FFY 07 baseline;
- \$8,000 for every older child adoption over the older child adoption FFY 07 baseline; and
- \$4,000 for every special needs adoption (that is not an older child adoption) over the special needs adoption FFY 07 baseline.

DSS was awarded the Adoption Incentive grant based upon an increase in all categories of adoptions. During FFY 08, DSS increased adoptions over FFY 07 baseline as follows:

	FFY 07	FFY 08	Difference
Foster Care Adoptions	419	587	+ 168
Special Needs Adoptions (under age 9)	210	299	+ 89
Older Child Adoptions (age 9 or older)	96	117	+ 21
Adoption Rate (AR)	10.6	11	+ 0.4

DSS must use the grant to increase the number of adoptions by Adoption Promotion and to finalize statewide cases for Termination of Parental Rights (TPR) of parents to free children for adoption. Grant funding will be allocated to the following expenditures:

Travel (\$20,000)

- Training on adoption and child permanency for staff.
- Travel to National/State Adoption conference and Child Welfare Related Conferences.

Operating Services (\$50,000)

- Professional marketing campaign, AdoptUSkids, for recruitment of foster and adoptive homes.

Other Charges (\$866,559)

- Contract with private attorneys for TPR cases.
- Contract with licenses social workers/social services agencies to clear backlog of home studies.

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- PRINT TRAC finger printing portable devices, one per region. Print Trac is a print and copy tracking system.

II. IMPACT ON FUTURE FISCAL YEARS

The Adoption Incentive grant period is 9/30/2010 through 9/30/2011. Grant funds must be obligated no later than 9/30/2011 and liquidated no later than 12/31/2011. However, DSS may carry forward any unused funds until the grant period expires on 12/31/2011.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.